From:

"kirk.halstead" <kirk.halstead@delphi.com>

To:

"Masahiro Hasegawa (E-mail)" <hasegawa@fenaapd.com>; "Sean Xuedong (E-mail)" <xli@fenaapd.com>; "Shintaro Takei (E-mail)" <stakei@fenaapd.com>; "Torotani (E-mail)" <tora@ch.furukawa.co.jp>; "Toshiro Yamamoto (E-mail)" <toshiro@ch.furukawa.co.jp>

Cc:

"Alex Iwanaga (E-mail)" <aiwanaga@fenaapd.com>; "Hironori Suzuki (E-mail)" <hironori@mie.furukawa.co.jp>; "Noguchi (E-mail)" <src-akky@mie.furukawa.co.jp>; "Yamawaki (E-mail)" <yamawaki@mie.furukawa.co.jp>; "Schuller, Doug " <doug.schuller@delphi.com>; "Nixon, Ed " <ed.nixon@delphi.com>; "Murphy, James " <james.murphy@delphi.com>; "Keith, Dennis " <dennis.keith@delphi.com>; "Ying, Laura" <Laura.Ying@delphi.com>; "Zuraski, Jeff "

<jeff.zuraski@delphi.com>; "Ross, Kevin " <kevin.ross@delphi.com>

Sent:

Friday, March 28, 2003 5:17 PM

Subject:

Low Friction Plating

Gentlemen -

GREAT NEWS!!!!!

After much work and convincing, Delphi management has approved us to go into production with the Low Friction Plating process provided all your testing, Delphi testing, and customer testing pass successfully. This is a very major step forward! There were many discussions that took place amongst Delphi management and the customer to finally get to this point.

I can't thank you enough for your hard work and the information that made this possible. The only problem now is to time this change (provided all testing passes) along with all the other changes (upper rotor tab, clamp ring, and floating pin design) so we can implement them all at the same time. I had to explain this in great detail to our management but they now all support it! However, this does turn up the pressure to complete all these other activities as well.

My management is convinced that we have a good test plan at FEC, Delphi, and on customer vehicles at Milford in order to validate this change. Delphi is currently in the process of doing bottoming testing on the Low Friction Plating parts you provided me, customer vehicles are currently being changed over to the Low Friction Plating sensors you provided me, and FEC will be starting their testing on April 1st. This is all taking place simultaneously and with a pretty significant cost to everybody, but I (and management) am confident our sensor will be much more robust in the end.

Even Ted Seeger said he was impressed with the engineering that went into this change. You should be very proud of yourselves - this is the type of engineering my management is looking for when they decide who to award new business opportunities to.

Great job everybody - Mr. Kirk

Kirk Halstead Delphi - Saginaw Steering Systems 3900 East Holland Road APC-1 Saginaw, MI 48601-9494 P: (989)-757-1233

F: (989)-757-3039

E-mail: kirk.halstead@delphi.com